FORM BI United States Bankruptcy Court INVOLUNTARY PETITION **EASTERN** NEW YORK District of ALL OTHER NAMES used by debtor in the last 6 years IN RE (Name of Debtor - If Individual: Last, First, Middle) (Include married, maiden, and trade names.) Allou Healthcare, Inc., f/k/a Allou Health & Beauty Care, Inc. SOC SEC. MAX 1.D. NO. (If more than one, state all.) 11-2953972 MAILING ADDRESS OF DEBTOR (Il different from street address) STREET ADDRESS OF DEBTOR (No and street, city, state, and zip code) 50 Emjay Boulevard Brentwood, NY 11717 COUNTY OF RESIDENCE OR PRINCIPAL PLACE OF BUSINESS Suffolk LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR (If different from previously listed addresses) CHAPTER OF BANKRUPTCY CODE UNDER WHICH PETITION IS FILED Chapter 11 Chapter 7 INFORMATION REGARDING DEBTOR (Check applicable boxes) TYPE OF DEBTOR Petitioners believe: Corporation Publicly Held Debts are primarily consumer debts Individual Corporation Not Publicly Held Debts are primarily business debts (complete sections A and B) Partnership Other: B. BRIEFLY DESCRIBE NATURE OF BUSINESS A. TYPE OF BUSINESS (Check one) Holding company for various companies engaged Transportation Commodity Broker Manufacturing/ | Construction
Mining | Real Estate in the sale and distribution of consumer personal, Retail/Wholesale Mining Railroad pharmaceutical and non-perishable food products. Stockbroker 🔀 Other VENUE Debtor has been domicited or has had a residence, principal place of business, or principal assets in the District for 180 days inturediately preceding the date of this petition or for a longer part of such 180 days than in any other District. A bankruptcy case concerning debtor's affiliate, general partner or partnership is pending in this District. PENDING BANKRUPTCY CASE FILED BY OR AGAINST ANY PARTNER OR AFFILIATE OF THIS DESITOR (Report information for any additional cases on attached slicets.) Date Case Number Name of Debtor District Relationship Judge **ALLEGATIONS** COURT USE ONLY (Check applicable boxes) Petitioner(s) are eligible to file this petition pursuant to 11 U.S.C. § 303(b). The debtor is a person against whom an order for relief may be entered under title 11 of the United States Code. 32 [X] The debtor is generally not paying such debtor's debts as they become due, unless such debts are the subject of a bona fide dispute; Within 120 days preceding the filing of this petition, a custodian, other than a trustee, receiver, or agent appointed or authorized to take charge of less than substantially all of the property of the debtor for the purpose of enforcing a lien against such property, was appointed or took possession.

FORM 5 Incolumntary Printed

Allou Healthcare, Inc.,	
Name of Detect [/k/a Allou Health & Beauty Care,	(nc
CAM No	_

14021	•.	CD 100	Strang and east)
	TRANSFE	ROFCLAIM	
Check this but if there he wanted and say state	as been a transfer of any classe against creents that are required under Buntiru	the debtor by or to any peritioner. Artach	all documents evidencing
	REQUEST	FOR RELIEF	
Petitioner(4) request that on a this petitions.	nder for relief be entered against the d	chor under the chapter of title 11, United	States Code, specified in
•	No. of No. 2 months at the con-		
Peiritiemen(2) declare under pr foregoing is over and cornect of immurfolge, judicatetion, and	scoording to the best of their		
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Segment of Petitiones or Re	presentative (State tate)	Significant Ventory	
ongress Financia	Date Signal	Maur of Amorney Firm (If say)	
	1133 Avenue of	Otterbourg, Steinater,	Houston & Kosen, Po
Name & Mailing	the Americas	230 Park Avenue, New Y	ark. NY 10169
Address of ladividual		Telephone No.	<u> </u>
Signing in Representative Capacity	New York, NY 10036	(212) 661-9100	
Mill	K. VP	x Jonath N. Helfer	4/18/03
Signature of Politioner or R		Signature of Atterney	Date
itibank, N.A	Date Segred	Name of Assormery Firm (If any) Otterbourg, Steindler	Houston & Rosen, P
Name & Mailing Address of Individual	388 Greenwich Street	Address 230 Park Avenue New 1	
Signing in Representative	N W -1 NW 10013	Telephone No.	
Capacity	New York, NY 10013	(212) 661-9100	_ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~ ~
¥		X	
Signature of Personer or I	Representative (State title)	Signature of Anamey	Date
aSalle Business	Credit, Inc.	Name of Anomey Firm (If my)	
Name of Petitioner	Date Signed	Orterbourg, Steindler	Houston & Rosen,
Name & Mailing	1735 Market Street	Address	
Address of Individual	Suite 660	230 Park Avenue, Neu	York NY IIII69
Signing in Representative	Philadelphie DA	Telephone Na.	
Capacity	<u>Philadelphia PA</u> 19103	(212) 661-9100	
•		G CREDITORS	
Name and Address of Breez's		Nauer of Clam	Amount of Claim
Name and Address of Pension Congress Finance	ial Corporation	See attached Rider	\$36,307,274.20*
	ericas, NY, NY 10036		
Name and Address of Peters Citibank, N.A.		Nature of Claim	Amount of Claim
		See attached Rider	22,692,046.38 t-
388 Greenwich S		Nature of Claim	Amount of Claum
LaSalle Busines	ss Credit, Inc.	See attached Rider	\$18,153,637.10
1735 Market St. Philadelphia.	reet Suite 660 A 19103	oce actoring was	*
	e than three pentioners, and the addition	and shorts with the statement wedge	Total Amount of
Deutjis of Deut	e man unce penjumen, anaen audino m. esch pelitioner's visa anne under fl	he stuctions and the name of atomicy	Petitioners' Claims
	creditor information to the format sho		\$ 77,152,957.68

[&]quot;This does not include interest, costs or other charges due. "" Creditor waives security in an amount necessary to quality as a pelitioning creditor pursuant in Section 1017th of the Businester Costs." pursuant to Section 303(b) of the Bankruptcy Code.

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Allou Healtheare, Inc., [/k/a Allou Health & Beauty Care, Inc. Case No . FORM ! Involuntery Polition (COUR WE DAIY) (12/02) TRANSFER OF CLAIM Check this but if there has been a manufer of any claum against the debtor by or to any petitioner. Areach all documents evidencing the eransfer and any statements that are required under Bankrupicy Rule 1003(2) REQUEST FOR RELIEF Peritional(s) request that an order for relief be entered against the debtor under the chapter of title 11, United States Code, specified in this politica. Peakioner(s) declare under penalty of persucy that the foregoing is true and correct according to the best of their knowledge, judogrustion, and belief. Date Signature of Apportunity Signature of Perinoger or Representative (State tute) Name of Allamey Firm (1 any) Otterbourg, Steindler, Houston & Rosen, PC ORRIESS Financial Corporation Date Sugges Name of Petitioner 1133 Avenue of 230 Park Avenue, New York, NY 10169 Name & Mailing the Americas Address of Individual Telephone Na. Signing in Representative New York, NY 10036 (212) 661-9100 Capacity Dic Signature of Attorney Signature of Petitioner or Representative (State title) Ciribank N.A. Name of Attorney Firm (If 2019) Octerbourg, Steindler, Houston & Rosen, Po Date Signed Name of Petitioner Address 230 Park Avenue, New York, NY 10169 Name & Mailing 388 Greenwich Street Address of Individual Telephone No. Signing in Representative (212) 661-9100 100[3 New York, NY Capacity Signature of Allocacy Signature of Parisoner of Representative (Stale little) The aSalle Business Credit Name of Anomey Finn (If my) Otterbourg, Sceindler, Houston & Rosen, PC Date Signed Name of Petitioner Vqqtczz 1735 Market Street 230 Park Avenue New York NY 10169 Nance & Mailing Suite 660_ Address of Individual Telephoae Na. Signing in Representative (212) 661-9100 Philadelphia PA Capacity 19103 PETITIONING CREDITORS Amount of Clawn Natur of Claim \$36,307,274.20 💆 🐃 Carpe and Address of Personer See attached Rider Congress Financial Corporation 1133 Ave. of Americas, NY, NY 10036 Amount of Claim Name of Claim Citibank, N.A. \$22,692,046.38 - ⊶ See attached Rider 388 Greenwich Street, NY. NY Amount of Claim Nature of Claim \$18,153,637.10 LaSalle Business Credit. Inc. See accached Rider 1735 Market Street, Suite 660 Philadelphia, PA 19103

If there are more than three petitioners, anath additional sheets with the statement under

penalty of perjury, each petitioner's agranate under the statement and the name of attorney

Note.

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Petitioners Clauma

\$77,152,957.68

and petitioning creditor information in the formal above This does not include interest, costs or other charges due. ** Creditor waives security in an amount necessary to qualify as a petitioning creditor maives security in an amount necessary to qualify as a petitioning creditor. pursuant to Section 303(b) of the Bankruptcy Code.

Allou Healthcare, Inc., f/k/a Allou Health & Beauty Care, Inc.

ORM 5 Invaluntary Petition 2/02)		Case No	(court use only)
	TRANSFER		
Check this box if there ha	as been a transfer of any claim against the ments that are required under Bankrupt	(c) 1(d) (ch all documents evidencing
	REQUEST F	FOR RELIEF	
Petitioner(s) request that an or this petition.	rder for relief be entered against the deb	otor under the chapter of title 11, Unite	od States Code, specified in
Y / / \bigcirc / -	coording to the best of their selies.	x Goratha N. Helfa	J 4/18/03
Signature of Petitioner or Rep	resentative (State title)	Signature of Amorney	51 .0
Congress Financia	Duc Signed 1133 Avenue of	· ·	, Houston & Rosen, PC
Name & Mailing	the Americas	Address 230 Park Avenue, New	York, NY 10169
Address of Individual Signing in Representative Capacity	New York, NY 10036	Telephone No. (212) 661-9100	
		X	
Signature of Petitioner or Re Citibank, N.A.		Signature of Attorney	Date
Name of Petitioner	Date Signed	■ =	r, Houston & Rosen, PC
Name & Mailing Address of Individual	388 Greenwich Street	Address 230 Park Avenue, New Telephone No.	York, NY 10169
Signing in Representative Capacity	New York, NY 10013	(212) 661-9100	
X		Χ	Date
Signature of Petitioner or R	epresentative (State title)	Signature of Attorney	
LaSalle Business Name of Petitioner	Credit, Inc. Date Signed	Name of Anomey Firm (If any) Otterbourg, Steindle	r, Houston & Rosen, PC
Name & Mailing Address of Individual	1735 Market Street Suite 660	Address 230 Park Avenue, New	York, NY 10169
Signing in Representative Capacity	<u>Philadelphia. PA</u> 19103_	Telephone No. (212) 661-9100	
	PETITIONING	CREDITORS	
Name and Address of Petition	vcr	Nature of Claim	Amount of Claim
Congress Financ		See attached Rider	\$36,307,274.20****
Name and Address of Petition Citibank, N.A.	ner	Name of Claim See attached Rider	\$22,692,046.38 = *
388 Greenwich S Name and Address of Peuto LaSalle Busines 1735 Market Str Philadelphia, P	s Credit, Inc. eet, Suite 660 A 19103	Nature of Claim See attached Rider	Amount of Claum \$18,153,637.10
Note: If there are more penalty of perjur	than three petitioners, attach additionary, each petitioner's signature under the reditor information in the format above	statement and the name of another	Total Amount of Petitioners' Claims \$77,152,957.68

This does not include interest, costs or other charges due. ** Creditor waives security in an amount necessary to qualify as a petitioning pursuant to Section 303(b) of the Bankruptcy Code.

RIDER TO INVOLUNTARY PETITION

The debtor has unconditionally guaranteed the repayment of monies lent and not repaid when due by the following borrowers, each of which is the subject of a Chapter 11 bankruptcy case pending before this Court:

Borrower	Case No.
M. Sobol, Inc.	03-82323 (MLC)
Allou Distributors, Inc.	03-82321 (MLC)
Direct Fragrances, Inc. and	03-82324 (MLC)
Standard Personal Care Manufacturing, Inc.	03-82325 (MLC)

EASTERN DISTRICT OF NEW YORK		
	-X ·	
	:	
	:	Chapter 11 Case No.:
In re: ALLOU HEALTHCARE, INC.,	:	
f/k/a ALLOU HEALTH & BEAUTY CARE, INC.,	:	
	:	
	:	
Involuntary Chapter 11 Debtor	:	
	:	
	:	
	-X	

PARTIAL WAIVER OF CLAIM OF PETITIONING CREDITOR

To The Honorable Judge Presiding in The United States Bankruptcy Court, Eastern District of New York:

LIMITED OT ATEC DANIED IDTOV COLIDT

Congress Financial Corporation ("Petitioning Creditor"), one of the petitioning creditors in this involuntary Chapter 11 case, hereby represents and alleges as follows:

- 1. Concurrently with the execution and submission of this Partial Waiver of Claim, Petitioning Creditor is one of three (3) creditors to sign an involuntary bankruptcy petition naming Allou Healthcare, Inc., f/k/a Allou Health & Beauty Care, Inc. ("Debtor") as a Chapter 11 debtor.
- 2. Debtor owes Petitioning Creditor, as of the filing date, \$36,307,274.20 ("Indebtedness") which Indebtedness is intended to be secured by inventory, accounts receivable and other assets of the Debtor.
- 3. Petitioning Creditor believes, after due inquiry, that a material portion of the assets intended to secure the Indebtedness do not exist, that the assets of the Debtor are insufficient to satisfy Petitioning Creditor's claim against the Debtor and that, therefore, Petitioning Creditor is undersecured.

- 4. However, to the extent that there is any question that Petitioning Creditor is not a qualified creditor pursuant to Section 303(b) of the Bankruptcy Code with respect to the secured/unsecured status of its claim, it hereby waives its right to its security interests in any assets of the Debtor up to, but not more than, the amount of \$5,000.00.
- 5. Therefore, in conjunction with the other petitioning creditors acting together to commence this case, there is an aggregate of unsecured claims of at least \$15,000.00 which amount exceeds the requirements of Section 303(b) of the Bankruptcy Code.

Dated: New York, New York

April 18, 2003

CONGRESS FINANCIAL CORPORATION

By: ₋

Signer's Name

1133 Avenue of the Americas

New York, NY 10036

UNITED STATES BANKRUPTCY COURT

EASTERN DISTRICT OF NEW YORK

:

Chapter 11 Case No.:

In re: ALLOU HEALTHCARE, INC.,

f/k/a ALLOU HEALTH & BEAUTY CARE, INC.,

Involuntary Chapter 11 Debtor:

PARTIAL WAIVER OF CLAIM OF PETITIONING CREDITOR

To The Honorable Judge Presiding in The United States Bankruptcy Court, Eastern District of New York:

LaSalle Business Credit, Inc. ("Petitioning Creditor"), one of the petitioning creditors in this involuntary Chapter 11 case, hereby represents and alleges as follows:

- 1. Concurrently with the execution and submission of this Partial Waiver of Claim, Petitioning Creditor is one of three (3) creditors to sign an involuntary bankruptcy petition naming Allou Healthcare, Inc., f/k/a Allou Health & Beauty Care, Inc. ("Debtor") as a Chapter 11 debtor.
- 2. Debtor owes Petitioning Creditor, as of the filing date, \$18,153,637.10 ("Indebtedness") which Indebtedness is intended to be secured by inventory, accounts receivable and other assets of the Debtor.
- 3. Petitioning Creditor believes, after due inquiry, that a material portion of the assets intended to secure the Indebtedness do not exist, that the assets of the Debtor are insufficient to satisfy Petitioning Creditor's claim against the Debtor and that, therefore, Petitioning Creditor is undersecured.

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- Therefore, in conjunction with the other petitioning creditors acting together to commence this case, there is an aggregate of unsecured claims of at least \$15,000.00 which amount exceeds the requirements of Section 303(b) of the Bankruptcy Code.

Dated:

New York, New York April (), 2003

LASALLE BUSINESS CREDIT, INC.

David S. Oppenheimer

Suite 660

Philadelphia, PA 19103

EASTERN DISTRICT OF NEW YORK	Y
In re: ALLOU HEALTHCARE, INC., f/k/a ALLOU HEALTH & BEAUTY CARE, INC.,	: : Chapter 11 Case No.: : : : : : : : : : : : : : : : : : :
Involuntary Chapter 11 Debtor	: : :
	X

PARTIAL WAIVER OF CLAIM OF PETITIONING CREDITOR

To The Honorable Judge Presiding in The United States Bankruptcy Court, Eastern District of New York:

Citibank, N.A. ("Petitioning Creditor"), one of the petitioning creditors in this involuntary Chapter 11 case, hereby represents and alleges as follows:

- 1. Concurrently with the execution and submission of this Partial Waiver of Claim, Petitioning Creditor is one of three (3) creditors to sign an involuntary bankruptcy petition naming Allou Healthcare, Inc., f/k/a Allou Health & Beauty Care, Inc. ("Debtor") as a Chapter 11 debtor.
- 2. Debtor owes Petitioning Creditor, as of the filing date, \$22,692,046.38 ("Indebtedness") which Indebtedness is intended to be secured by inventory, accounts receivable and other assets of the Debtor.
- 3. Petitioning Creditor believes, after due inquiry, that a material portion of the assets intended to secure the Indebtedness do not exist, that the assets of the Debtor are insufficient to satisfy Petitioning Creditor's claim against the Debtor and that, therefore, Petitioning Creditor is undersecured.

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- 4. However, to the extent that there is any question that Petitioning Creditor is not a qualified creditor pursuant to Section 303(b) of the Bankruptcy Code with respect to the secured/unsecured status of its claim, it hereby waives its right to its security interests in any assets of the Debtor up to, but not more than, the amount of \$5,000.00.
- 5. Therefore, in conjunction with the other petitioning creditors acting together to commence this case, there is an aggregate of unsecured claims of at least \$15,000.00 which amount exceeds the requirements of Section 303(b) of the Bankruptcy Code.

Dated: New York, New York
April 18, 2003

CITIBANK, N.A.

Signer's Name 388 Greenwich Street New York, NY 10013

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF NEW YORK

STATEMENT PURSUANT TO LOCAL BANKRUPTCY RULE 1073-2(b)

DEBTOR(S): Allou Healthcare, Inc. 1ka Allou Health & Beauty Care, Inc. CASE NO.:
Pursuant to Local Bankruptcy Rule 1073-2(b), the debtor (or any other petitioner) hereby makes the following disclosure concerning Related Cases, to the petitioner's best knowledge, information and belief:
[NOTE: Cases shall be deemed "Related Cases" for purposes of E.D.N.Y. LBR 1073-1 and E.D.N.Y. LBR 1073-2 if the earlier case was pending at any time within six years before the filing of the new petition, and the debtors in such cases: (i) are the same; (ii) are spouses or ex-spouses; (iii) are affiliates, as defined in 11 U.S.C. § 101(2); (iv) are general partners in the same partnership; (v) are a partnership and one or more of its general partners; (vi) are partnerships which share one or more common general partners; or (vii) have, or within 180 days of the commencement of either of the Related Cases had, an interest in property that was or is included in the property of another estate under 11 U.S.C. § 541(a).]
NO RELATED CASE IS PENDING OR HAS BEEN PENDING AT ANY TIME.
THE FOLLOWING RELATED CASE(S) IS PENDING OR HAS BEEN PENDING:
1. CASE NO.: 03-82321 JUDGE: Cyganowski DISTRICT/DIVISION: EDNY - Central Islip
CASE STILL PENDING (Y/N): Y [If closed] Date of closing:
CURRENT STATUS OF RELATED CASE: Pending
(Discharged/awaiting discharge, confirmed, dismissed, etc.)
MANNER IN WHICH CASES ARE RELATED (Refer to NOTE ab ove): are affiliates as defined in 11 USC 101(2)
REAL PROPERTY LISTED IN DEBTOR'S SCHEDULE "A" ("REAL PROPERTY") WHICH WAS ALSO LISTED IN SCHEDULE "A" OF RELATED CASE:
2. CASE NO.: 03-82323 JUDGE: Cyganowski DISTRICT/DIVISION: EDNY - Central Islip
CASE STILL PENDING (Y/N): Y [If closed] Date of closing:
CURRENT STATUS OF RELATED CASE: Pending (Discharged/awaiting discharge, confirmed, dismissed, etc.)
MANNER IN WHICH CASES ARE RELATED (Refer to NOTE ab ove): are affiliates as defined in 11 USC 101(2)
REAL PROPERTY LISTED IN DEBTOR'S SCHEDULE "A" ("REAL PROPERTY") WHICH WAS ALSO LISTED IN SCHEDULE "A" OF RELATED CASE:

DISCLOSURE OF RELATED CASES (cont'd)

3. CASE NO.: 03-82324 JUDGE: C	yganowski DISTRICT/DIVISION: EDNY- Central Islip
CASE STILL PENDING (Y/N): Y [If closed	d] Date of closing:
CURRENT STATUS OF RELATED CASE: Pend	ing
(Di	ischarged/awaiting discharge, confirmed, dismissed, etc.)
MANNER IN WHICH CASES ARE RELATED (R	efer to NOTE above): are affiliates as defined in 11 USC 101(2)
REAL PROPERTY LISTED IN DEBTOR'S SCHI IN SCHEDULE "A" OF RELATED CASE:	EDULE "A" ("REAL PROPERTY") WHICH WAS ALSO LISTED
NOTE: Pursuant to 11 U.S.C. § 109(g), certain indivious be eligible to be debtors. Such an individual wi	iduals who have had prior cases dismissed within the preceding 180 days may ll be required to file a statement in support of his/her eligibility to file.
TO BE COMPLETED BY DEBTOR/PETITIONE I am admitted to practice in the Eastern District of	
CERTIFICATION (to be signed by pro se debtor/p	etitioner or debtor/petitioner's attorney, as applicable):
I certify under penalty of perjury that the within ba except as indicated elsewhere on this form.	ankruptcy case is not related to any case now pending or pending at any time,
	Signature of Pro Se Debtor/Petitioner
Signature of Debtor's Attorney	Signature of Pro Se Debtor/Petitioner
	230 Park Avenue
	Mailing Address of Debtor/Petitioner
	New York, New York 10169
	City, State, Zip Code
	(212)661-9100
	Area Code and Telephone Number

Failure to fully and truthfully provide all information required by the E.D.N.Y. LBR 1073-2 Statement may subject the debtor or any other petitioner and their attorney to appropriate sanctions, including without limitation conversion, the appointment of a trustee or the dismissal of the case with prejudice.

NOTE: Any change in address must be reported to the Court immediately IN WRITING. Dismissal of your petition may otherwise result.

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Case 8-03-82662-ess Doc 1 Filed 04/18/03 Entered 04/18/03 16:27:24

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DISCLOSURE OF RELATED CASES (cont'd)

4. CASE NO.: 03-82325	JUDGE: Cyganowski	DISTRICT/DIVISION: EDNY- Central Islip
CASE STILL PENDING (Y/N): Y	[If closed] Date of closing:	
CURRENT STATUS OF RELATED	D 1:	
		discharge, confirmed, dismissed, etc.)
MANNER IN WHICH CASES ARE	RELATED (Refer to NOTE abou	are affiliates as defined in 11 USC 101(2)
REAL PROPERTY LISTED IN DEB	TOR'S SCHEDULE "A" ("REA	AL PROPERTY") WHICH WAS ALSO LISTED